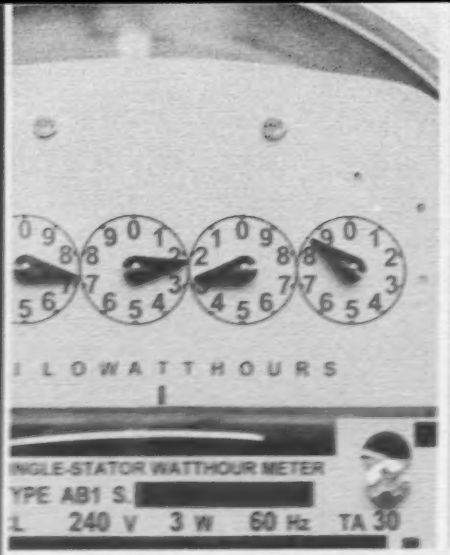

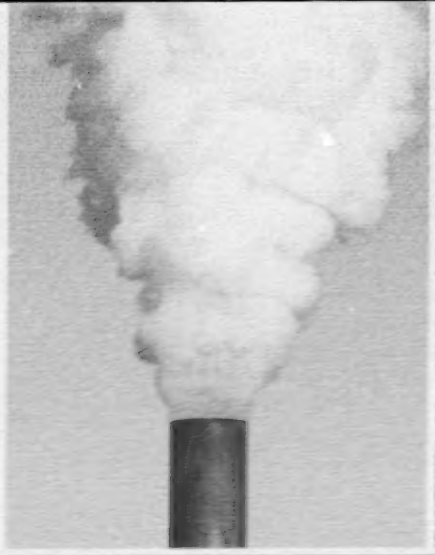

Office of Climate Change and Energy Efficiency

Business Plan
2014 - 2017

Newfoundland
Labrador

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MESSAGE FROM THE MINISTER

The Government of Newfoundland and Labrador recognizes that climate change is one of the most challenging and long-term problems facing the world today, and that all jurisdictions, regardless of size, have a role to play. Without urgent action to reduce greenhouse gas emissions and adapt to the unavoidable impacts of climate change, economies, communities and ecosystems will be affected. That is why government is committed to continued leadership on this file to chart a course that is both environmentally sound and economically prudent.

The Provincial Government is committed to ensuring that our province is well placed to seize the opportunities and minimize the risks associated with the transition to a lower-carbon global economy. Action to reduce greenhouse gas emissions must be at the heart of global action to tackle climate change, and Newfoundland and Labrador has vast clean energy resources that can reduce greenhouse gas emissions in this province and elsewhere. There is also potential to generate growth in the province's green economy and make households and businesses better off through continued efforts to improve energy conservation and efficiency. However, as a large coastal province with a significant northern land mass, we must also prepare for the adverse impacts of climate change such as more intense weather systems and storm surges, sea-level rise and coastal erosion, and permafrost melt. The impacts of climate change will affect all sectors of the economy, from agriculture, forestry and aquaculture, to infrastructure, health, and tourism, bringing opportunities such as a longer growing and summer tourism season as well as challenges such as disruptions in northern travel as patterns of sea ice formation change. By having the information and capacity to manage these impacts, we can ensure our communities are more resilient and well prepared for the future.

The Office of Climate Change and Energy Efficiency leads government's work in this area by working across all departments and agencies to advance sustained action on these complex and cross cutting issues. Not only does climate change affect all sectors of the economy, it also requires engagement from all parts of society, from individuals, households and industry to all levels of government, the voluntary sector and academia. While much has been achieved since the Office's creation in 2009, in the grand scheme of things, work has only just begun. Tackling climate change is a long-term challenge that will require sustained effort and application over many years to address. That is why the Office will continue to lead work over the next three years to raise awareness and increase the capacity of government, individuals, communities and businesses to tackle climate change and improve energy efficiency.

As Minister responsible for the Office of Climate Change and Energy Efficiency, I am pleased to present the 2014-17 Business Plan. In accordance with the Transparency and Accountability Act, the Office is classified as a category 2 entity, and therefore, reports at an output level. As Minister responsible, I am accountable for the preparation of this plan, and for achieving the goals and objectives outlined herein.

Terry French, MHA
Conception Bay South
Minister

1.0 OVERVIEW

The Office of Climate Change and Energy Efficiency (CCEE) is located within Executive Council and is responsible for leading policy and strategy development on issues relating to climate change and energy efficiency[1]. As a key part of this mandate, the Office works collaboratively with other departments and agencies to ensure climate change and energy efficiency are effectively integrated into policy development and decision making.

The issues related to climate change and energy efficiency are highly complex and cross cutting. They affect all sectors of the economy, and impact every government department and agency, business, community and individual in the province. Moreover, it is one of the only areas of policy where governments across the world have targets that span not just years, but decades. For instance, Newfoundland and Labrador has specific and measurable targets to reduce GHG emissions by 10 percent below 1990 levels by 2020 and by 75-85 percent below 2001 levels by 2050. Meeting long-term and ambitious targets requires sustained government leadership and action. While CCEE takes the lead on developing policies and strategies to meet such targets, realizing success and balancing economic, environmental and social issues requires effective engagement with both internal and external stakeholders.

To guide action, in August 2011, the Provincial Government released *Charting Our Course: Climate Change Action Plan* and *Moving Forward: Energy Efficiency Action Plan*. These Action Plans set out government's strategic approach to climate change and energy efficiency. Together they contain 75 commitments that require action across 13 departments and agencies and impact every sector of the economy. The plans exemplify CCEE's horizontal policy work and the importance of being located in a central agency to work across government to ensure that climate change and energy efficiency are appropriately considered in the development and implementation of provincial legislation, policies, programs, services and infrastructure decisions. The Office does not have responsibility for the delivery and implementation of programs and services which fall within the mandates of other departments, such as Environment and Conservation, Natural Resources, Municipal and Intergovernmental Affairs, and Transportation and Works.

In addition to policy and strategy development and promoting government-wide action, CCEE is also responsible for strengthening the evidence base within government on climate change and energy efficiency. This includes a research and analysis function within the Office and a commitment to disseminating the knowledge and expertise acquired. Hand-in-hand with this responsibility, the Office regularly engages with stakeholders and other governments to share insights and learnings to help tackle the shared challenge of climate change and generate a major shift in the uptake of energy efficiency.

To fulfill its mandate, the Office is currently composed of eight staff (five females, two males and one vacant) and is located on the 5th Floor, West Block, Confederation Building, St. John's.

For the fiscal year 2014-15, the Office of Climate Change and Energy Efficiency has an operating budget of $1,165,600.

[1] 'Energy Efficiency' is used in this plan as inclusive of both conservation and efficiency.

2.0 MANDATE

The mandate of the Office of Climate Change and Energy Efficiency is:

- To advance sustained action on climate change and energy efficiency that effectively balances economic and environmental considerations, including deepening public awareness, understanding and engagement.
- To undertake focused research and analysis to enable the province to maximize opportunities and minimize risks from the impacts of climate change and the move towards a lower-carbon global economy.
- To work with departments to better integrate climate change and energy efficiency considerations into their current and future programs, services, legislation and regulations, and ensure effective coordination across government.
- To advance the province's interests and priorities in regional, national and international forums on climate change and energy efficiency, and engage external stakeholders to deepen and widen government's dialogue on next steps.

3.0 LINES OF BUSINESS

The Office of Climate Change and Energy Efficiency is responsible for four lines of business. The lines of business have been expanded from three to four for this planning cycle to better reflect the nature of the ongoing work of the Office.

1. Policy and Strategy Development
2. Strengthening the Evidence Base
3. Promoting Government-Wide Action
4. Representing the Province in Intergovernmental Forums and Engaging External Stakeholders

Policy and Strategy Development: CCEE has lead responsibility within government for policy and strategy development on climate change and energy efficiency. This includes analyzing the implications of different policy approaches to achieve government's greenhouse gas reduction and energy efficiency targets and desired outcomes; identifying the impacts of climate change and economic opportunities for the province; assessing the implications of national and international developments for the province; overseeing delivery of the 75 commitments in the Climate Change and Energy Efficiency Actions Plans owned by 13 different entities including CCEE (which is responsible for 17 commitments); and leading efforts to engage the public.

Strengthening the Evidence Base: CCEE has lead responsibility within government for research, data and analysis on climate change and energy efficiency. For example, CCEE leads the development of provincial greenhouse gas projections; studies the impact of different carbon prices on the provincial economy; deepens understanding of how the province may be impacted by climate change and what can be done to improve resilience; and reviews economic and energy models to better understand the relationship between investments in energy efficiency, energy consumption and economic activity.

Promoting Government-Wide Action: CCEE provides specialist knowledge and expertise to strengthen departments' understanding of climate change and energy efficiency, and help them integrate these issues into their ongoing operations, programs, legislation, and regulations. CCEE aims to drive action across government and ensure that government takes a coordinated approach to the opportunities and challenges to help ensure resources are directed to where they will have the most impact.

Representing the Province in Intergovernmental Forums and Engaging External Stakeholders: CCEE represents the province's interests in regional, national and international forums on climate change and energy efficiency. The Office has an extensive network of contacts in other jurisdictions which it actively engages to advance the province's policy objectives. CCEE also engages external stakeholders to help inform policy analysis and guide the implementation of commitments, including large industry, the electrical utilities, industry associations, academia, non-government organizations and other governments such as the Nunatsiavut Government.

4.0 VALUES

The Office of Climate Change and Energy Efficiency is dedicated to achieving excellence and producing high quality work that meets the expectations of its internal and external stakeholders and provides a positive work environment for its employees. As a small team, CCEE focuses on achieving success through hard work, collaboration and leadership.

The Office of Climate Change and Energy Efficiency will focus efforts during this planning cycle on the following values:

Collaboration:	Each person supports his/her colleagues within the Office and in other departments and agencies to assist in deepening awareness and understanding of issues related to climate change and energy efficiency.
Innovation:	Each person continuously challenges his/herself to develop new ideas and approaches to climate change and energy efficiency that move the province forward in delivering on its commitments.
Excellence:	Each person is committed to high quality work and providing the best advice and products possible to internal and external stakeholders.
Expertise:	Each person provides specialist knowledge to help integrate climate change and energy efficiency considerations into policy development and decision making.
Commitment:	Each person demonstrates sound judgment and professionalism when representing the Office and a dedication to deepening and widening awareness and understanding of issues related to climate change and energy efficiency.
Leadership:	Each person works to take the initiative and lead by example in delivering the mandate of the Office.

5.0 PRIMARY CLIENTS

The Office of Climate Change and Energy Efficiency has two primary client groups:

Clients within the Provincial Government include the Premier, ministers, deputy ministers, government officials, and crown corporations. The cross-cutting nature of CCEE's work requires that it engages with departments and agencies on a regular basis in the implementation of the action plans and to share knowledge and expertise on issues relating to climate change and energy efficiency.

The Office also seeks to build effective relationships with other levels of government including federal, provincial/territorial and municipal as well as the Nunatsiavut Government. CCEE also works to raise awareness amongst the public on climate change and energy efficiency and regularly engages with external stakeholders such as large industry, the electrical utilities, industry associations, communities, academia, and the voluntary and not-for-profit sector.

6.0 VISION

The following statement describes the outcome that CCEE is striving to achieve over the long-term for the people of Newfoundland and Labrador:

> The vision of the Office of Climate Change and Energy Efficiency is of a province that achieves economic, social and environmental success by effectively integrating progressive action on climate change and energy efficiency.

7.0 MISSION

> By 2017, the Office of Climate Change and Energy Efficiency will have advanced the province's capacity to reduce greenhouse gas emissions, adapt to the impacts of climate change and improve energy efficiency.

The mission statement identifies the priority focus areas over two planning cycles (2011-17). It represents the key longer-term results that the Office is working towards as it contributes to the strategic direction of government (as set out in Appendix A), which includes components related to climate change adaptation, improving energy efficiency and reducing GHG emissions. It also highlights the importance of increasing the province's capacity to prepare for climate change impacts and implement policies and strategies to better position the province to respond to climate change and promote a major shift in energy conservation and in the uptake of energy efficiency.

The mission statement also identifies the measures and indicators that will assist both the entity and the public in monitoring and evaluating success. The measure and indicators below also cover two planning cycles.

Measure:
Advanced the province's capacity to respond and adapt to climate change and improve energy efficiency.

Indicators:

- Released action plans to advance the province's ability to respond and adapt to climate change, and improve energy efficiency.
- Investigated the economic development opportunities associated with climate change and energy efficiency.
- Implemented initiatives towards increasing awareness and understanding of climate change and energy efficiency in the province.
- Represented the province's interests and position at regional, national and international forums at the officials' level.
- Implemented initiatives towards strengthening the province's understanding of climate change and energy efficiency and the opportunities and implications for Newfoundland and Labrador.
- Advanced external and intergovernmental collaboration on key policy areas relating to climate change and energy efficiency.

8.0 STRATEGIC ISSUES

In consideration of government's strategic direction and the mandate and financial resources of the Office of Climate Change and Energy Efficiency, the following two areas have been identified as government's key priorities over the next three years. The goals identified for each issue reflect the results expected in the three year timeframe and the objectives provide an annual focus. Measures and indicators are provided for the goal and the first year's objective to assist the Office and the public in monitoring and evaluating success.

Issue 1: Risks and Opportunities Associated with Climate Change Impacts

The Earth's climate is changing and our province is already seeing the impacts. With over 90 percent of the population living by or near the sea and a large part of our province in northern climate zones, it is essential that people understand and prepare for the impacts of climate change. These impacts include sea-level rise, coastal erosion, extreme weather events, flooding, permafrost melt, and changes in winter sea ice patterns as well as new opportunities that will be generated as a result of climate change such as changes in tourism, aquaculture, agriculture and forestry, among others. Warmer temperatures may also generate new opportunities in support of economic development in northern Canada.

The implications of climate change go beyond the changes to the environment, and impact communities, infrastructure, health and public services. For instance, more extreme weather events and flooding will, over time, require new considerations for planning and emergency response preparedness to ensure communities can improve their resilience to the impacts and costs associated with climate change. Changing temperatures and precipitation levels may result in variations to patterns of diseases caused by bacteria, viruses and other pathogens carried by mosquitoes, ticks, and animals. In Labrador, warmer temperatures are expected to, over time, affect the timing and patterns of sea ice formation, which will disrupt traditional travel routes that are used to reach hunting grounds and nearby communities during the winter.

More work is needed to deepen understanding of the risks to the province's economy and build capacity so that governments and communities can develop strategies to improve resilience to climate impacts. For example, awareness and understanding needs to be increased regarding the impacts of more extreme weather events on our infrastructure and public safety; the impacts of invasive species on agriculture; the impact of warmer and less saline ocean waters on commercial fishing species; the northward shift of new infectious diseases as the climate becomes warmer; the risks to transportation in the north as ice roads no longer afford a reliably safe way to travel in winter; and the impact on the structure of buildings in the north as the permafrost melts.

Building awareness and understanding of the risks associated with climate change is only one piece of the challenge. By taking leadership and improving resilience, the province can also harness a number of opportunities as it takes action and prepares for the future. In terms of economic opportunities, this could be in the form of technological innovations and growth in green jobs. In the agriculture sector, for example, longer growing seasons could increase agricultural productivity. For individuals or communities, considering climate change impacts in land use planning may reduce risks and damage associated with adverse weather conditions and flooding.

Addressing climate change is a long-term issue that requires a sustained commitment and government leadership. It also contributes to government's strategic direction regarding climate change and energy efficiency and its related components, including adaptation, public awareness and government leadership. This is why the Office of Climate Change and Energy Efficiency will continue to work over the next three years to raise awareness and increase the capacity of government, individuals, communities and businesses to manage the risks and advance opportunities associated with the impacts of climate change. As a part of this process, the Office will also assess progress on the Climate Change Action Plan, and start developing an approach to building on this strategic framework that demonstrates government's commitment to tackling this long-term challenge.

Goal 1: By 2017, the Office of Climate Change and Energy Efficiency will have advanced initiatives to increase awareness and capacity to manage risks and seize opportunities associated with climate change impacts. **Measure:** Initiatives advanced to increase awareness and capacity to manage risks and seize opportunities associated with climate change impacts.	Indicators: • Supported departments and agencies in the implementation of the Climate Change Action Plan. • Widened and deepened the evidence base to better understand the impacts of climate change and disseminated the information to stakeholders. • Worked to raise awareness and understanding of the risks and opportunities of climate change impacts through activities such as webinars, presentations and information/training sessions. • Worked with internal and external stakeholders to continue integrating climate change considerations into policy development and decision-making. • Assessed progress on the Climate Change Action Plan and developed an approach to build on the strategic framework.

Objective 1.1	By March 31, 2015, the Office will have advanced work to deepen awareness and understanding within government and amongst stakeholders of the issues pertaining to the risks and opportunities associated with climate change.
Measure: Advanced work towards deepening awareness and understanding.	
Indicators: • Supported departments and agencies in the implementation of the Climate Change Action Plan. • Evaluated the impact of the Turn Back the Tide campaign and identified next steps to build on the momentum of the campaign to raise awareness going forward. • Engaged stakeholders on the risks and opportunities associated with climate change and worked to deepen understanding of the issues through activities such as webinars, presentations and information/training sessions.	

Objective 1.2: By March 31, 2016, the Office will have collaborated with internal and external stakeholders on initiatives for managing risks and advancing opportunities across the province and within sectors.

Objective 1.3: By March 31, 2017, the Office will have assessed progress on the 2011 Climate Change Action Plan and developed an approach to build on the strategic framework.

Issue 2: Transitioning to a Lower-Carbon and Energy Efficient Province

Transitioning to a lower-carbon economy is critical if Newfoundland and Labrador is to be successful in tackling climate change. One of the key opportunities to reduce GHG emissions is energy efficiency, which means using less energy to provide the same or better level of service. While tackling climate change is an important element of energy efficiency, it has other, more immediate benefits. For instance, by becoming more energy efficient, individuals and communities can reduce their energy bills and improve their health and well-being, while businesses can lower their operating costs and become more competitive. Energy prices are rising faster than inflation. Between 2001 and 2011, for example, electricity prices have risen by 51% and home heating oil by 76%, but inflation only rose by 24%. As a result, even if all of the province's energy was generated form clean energy sources, there would still be a strong economic rationale for promoting greater energy efficiency.

In the 2011 Climate Change and Energy Efficiency Action Plans, the Provincial Government reiterated its commitment to achieve targets for reducing GHG emissions and energy consumption. These commitments, which were initially made at the Conference of New England Governors and Eastern Canadian Premiers (NEG-ECP), include:

- Reducing energy consumption by 20 percent by 2020, compared to business-as-usual projections;
- Reducing GHG emissions to 10 percent below 1990 levels by 2020; and
- Reducing GHG emissions to 75-85 percent below 2001 levels by 2050.

Despite having come very close to meeting its 2010 GHG reduction target, provincial GHG emissions are projected to grow significantly over the next decade. The Provincial Government forecasts that, in the absence of any further actions to tackle climate change, business-as-usual GHG emissions in Newfoundland and Labrador will increase by the year 2020. The forecasted increase is a result of further industrial growth in the province, such as the Hebron offshore oil development and growth in mining. Innovative policies and measures will be needed to ensure the province can meet its 2020 GHG reduction target in an economically prudent manner, and further action will be required after 2020 to meet the province's 2050 target. Transitioning to a lower-carbon future is a long-term challenge that will require sustained focus and commitment.

In terms of energy consumption, as of 2012, which is the latest year for which data are available, the province is estimated to have reduced energy use by 5 percent below consumption levels under a business-as-usual scenario without any policy measures by government. However, projections by the Provincial Government indicate that, in the absence of any additional measures, energy consumption is expected to show a modest increase by 2020, with expectations that electricity demand will grow. This is due to a range of factors such as the number of new housing starts and more energy-using devices in households. However, given that energy efficiency has many benefits, government remains committed to promoting a major shift in its uptake.

In order for the province to achieve its targets, all sectors of the economy need to play a role. This will require sustained efforts to broaden understanding, build effective collaboration and promote opportunities associated with energy efficiency and emissions reductions. This also contributes to government's strategic direction of climate change and energy efficiency and its related components, such as improving energy efficiency, reducing provincial GHG emissions and raising public awareness. Over the next three years, CCEE will continue to build the evidence base and work with internal and external stakeholders to enhance awareness and understanding and increase capacity to transition the province to a lower-carbon and energy efficient economy. As a part of this process, the Office will also assess progress on the 2011 Climate Change and Energy Efficiency Action Plans, and start developing an approach to building on these strategic frameworks to identify further policies and measures needed.

Goal 2: By 2017, the Office of Climate Change and Energy Efficiency will have advanced initiatives to increase understanding and capacity to transition to a lower-carbon and energy efficient province. **Measure:** Advanced initiatives to increase understanding and capacity to transition to a lower-carbon and energy efficient province.	Indicators: • Supported departments and agencies in the implementation of the Climate Change and Energy Efficiency Action Plans. • Widened and deepened the evidence base to better understand the opportunities available to transition to a lower-carbon and energy efficient economy and disseminated the information to stakeholders. • Worked to raise awareness and understanding of the benefits of reducing GHG emissions and becoming more energy efficient through such activities as webinars, presentations and information/training sessions. • Worked with internal and external stakeholders to integrate energy efficiency considerations into policy development and decision-making. • Assessed progress on the Climate Change and Energy Efficiency Action Plans and developed an approach to build on these strategic frameworks.

Objective 2.1	By March 31, 2015, the Office will have advanced work to deepen the awareness and understanding within government and amongst stakeholders of the issues pertaining to the transition to a lower-carbon and energy efficient province.
Measure: Advanced work towards deepening awareness and understanding.	
Indicators: • Supported departments and agencies in the implementation of the Climate Change and Energy Efficiency Action Plans. • Evaluated the impact of the Turn Back the Tide campaign and identified next steps to build on the momentum of the campaign to raise awareness going forward. • Engaged stakeholders on work related to emissions reduction and the benefits of energy efficiency and worked to deepen understanding of the issues through activities such as webinars, presentations and information/training sessions.	

Objective 2.2: By March 31, 2016, the Office will have collaborated with internal and external stakeholders on initiatives for transitioning to a lower-carbon and more energy efficient economy.

Objective 2.3: By March 31, 2017, the Office will have assessed progress on the Climate Change and Energy Efficiency Action Plans and developed an approach to build on these strategic frameworks.

APPENDIX A: STRATEGIC DIRECTION

Strategic Direction

Strategic directions are the articulation of desired physical, social or economic outcomes that normally require action by, or involvement of, more than one government entity. These directions are generally communicated by government through platform documents, Throne and Budget Speeches, policy documents and other communiqués. The *Transparency and Accountability Act* requires departments and public bodies to take into account these strategic directions in the preparation of their performance-based plans. This action will facilitate the integration of planning practices across government and will ensure that all entities are moving forward on key commitments. The strategic direction identified below comprises a number of focus areas, each of which will be addressed in CCEE's Business Plan.

The direction related to the Office of Climate Change and Energy Efficiency is provided below.

Title: Climate Change and Energy Efficiency

Outcome: A province that has advanced its capacity to reduce greenhouse gas emissions, adapt to the impacts of climate change and improve energy efficiency.

Components of Strategic Direction	This Direction is addressed in the entity's		
	Business Plan	Operational Plan	Work Plan
Adaptation to Climate Change Impacts	X		
Improve Energy Efficiency	X		
Reduction of Provincial GHG Emissions	X		
Government Leadership	X		
Public Awareness	X		

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